



Know, Love & Feed Your Business

This guide is structured to help small business people understand the three vital issues that are often missed because they are at times quite abstract or difficult to get a handle of.

The background of the image is a large, modern building with a glass facade. The building has a grid-like structure of vertical and horizontal lines. In the foreground, there is a rooftop terrace with a crowd of people. Some people are sitting on the ground, while others are standing. The overall scene is a high-angle view of a busy urban environment.

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Chuck Blakeman

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Dane Anthony Crandon IPA

Director Conqa Business Solutions

Introduction

There are many different types of business development books and business guides, some with very unique perspectives.

The topics seem to range from the somewhat clique attention seekers such as, 'How to be a millionaire in 5 minutes' to the other side of the spectrum of doing it the old-fashioned way. You know, the 20 to 30 year hard slog that comprises of 'killing yourself' tactics where the best-expected outcome is selling off your long-term assets so you can one day sit around on the beach... just before you die!

If you like the sound of either of those alternatives, then it's safe to say that this guide is certainly not for you.

However, if you are a business owner looking to create a great business infrastructure and environment, with the intention of your business eventually serving you, instead of the other way around, then please keep reading.

This guide is structured to help small business people understand the three vital issues that are often missed because they are at times quite abstract or difficult to get a handle of. Much like trying to catch a slippery fish with your bare hands, this guide will act as the net so nothing will escape!

I hope you enjoy our guide and it helps you gain a greater understanding of what your business can do for you.



Knowing Your Numbers

This is what the majority of small business owners do. Many have no idea where their business is going, how it got to where it is now and how to reach the next step.

Budgeting... **(Where are you going?)**

Imagine jumping into the family car on the first day of a big road trip only to realise that just before you turn on the ignition and crank up the best mixed iTunes downloads ever made, you have no idea where you're meant to go... let alone how to get there.

This is what the majority of small business owners do. Many have no idea where their business is going, how it got to where it is now and how to reach the next step.

Unfortunately, the next step for a lot of business owners is usually burnout, disappointment, disinterest and ultimately an unhealthy and declining business. This often leads to financial and emotional stress.

Not bothering to implement a budget is basically like driving your car blind with two flat tires, but it doesn't have to be like this. Creating a budget is actually very easy and quite liberating. Setting small, short-term goals for your business to achieve, is one of the most powerful improvements you can make.

The budget is the very first step to changing your bad business habits and will give you greater control of your much-loved enterprise. Once you take the first step and start to see results, you will wonder why you have never bothered to do this before.

Tax Planning... **(Keep the taxman away)**

Thanks to the rise of new technology over the last ten years, we have seen enormous changes in the way we live our lives. Technology has changed how we communicate with each other, order takeaway and do our shopping. Even ordering a coffee via your local barista's app is now considered standard. However, even though there have been many changes affecting our daily lives, one thing still remains constant... Tax!

No matter how far we advance, I hate to say it, but the Pink Elephant is still in the room strutting around unashamedly putting its hand out demanding that we pay up.

The business owners that fail to implement a tax planning strategy with their advisor will most certainly become prey to the taxation system. This is a real shame because it does not take a great deal for a financial professional to create a good tax planning strategy. Whatever your circumstances, every small business should have a tax planning strategy.

I don't know of any small business owners who love to pay more tax than they need to, but they do all the time.

Personal Financial Planning (It all begins and ends at home)

It all begins and ends at home. What does this mean exactly?

In essence, it means that if your personal financial situation is chaotic, undisciplined and ruled by inaccurate options and ignorance, then be prepared for a whole lot of pain. If it hasn't come yet, it surely will.

It doesn't matter how well your business is doing, how much money you're making or how many material possessions you have, if you don't have your financial situation together at home, the wheels will eventually fall off. It's just a matter of time.

It is not uncommon to see business owners, from regular small trading businesses right to medical or legal practitioners, see their net profits disappear due to bad spending habits.

Financial planning requires a professional licence and this is why we use a trusted and brilliant firm by the name of Robina Financial Solutions (RFS). They are more than just a great financial planning firm, they have a unique difference.

Their sole purpose is to make sure that their clients are looked after without paying unjustifiable fees. We only select the best to be part of our Referral Team and they certainly meet these standards.

We work with RFS in a very particular way. Even though they are required to undertake the personal financial advice and associated work, we are always in the meetings with you making sure that everyone can communicate with free-flowing ideas. This makes sure that everything comes together on a business and personal level so the greatest impact can be made possible for you.

This is just one example of the power of collaboration that we hold very dear to us.





Loving Your Process

To start off this section, I'd like to reference former US president Abraham Lincoln when he said, *"Give me six hours to chop down a tree and I will spend the first four sharpening the axe."* Even in the 1800s, people were wise to the value of preparation.

Business Plan

To start off this section, I'd like to reference former US president Abraham Lincoln when he said, *"Give me six hours to chop down a tree and I will spend the first four sharpening the axe."* Even in the 1800s, people were wise to the value of preparation.

Think about a time when you had to do something like repaint a wall at home, clean your car or even cook dinner. Let's use cooking dinner as an example. Before you started, did you think about what ingredients you will need? Did you then collect those ingredients from the shops? Did you think about the process that you will need to take so you don't burn anything or destroy this potential masterpiece? All good cooks implement the above thought process. Most people who say they can't cook only fail to understand that cooking takes planning. That is where they fail, in the planning. This could be said for almost everything.

In business, we use a business plan to help guide our future. However, there is obviously a difference between creating a plan for your business and preparing dinner. A business plan is not meant to provide you with all of the answers from the beginning to end, it is a tool that is designed to keep you on track and should plans change, your business plan will need to be adaptable to change too.

After you read this section, I'd like you to sit down and spend 5 minutes answering the following questions:

- What problem exists that your business can solve?
- What is your solution to this problem that your competitors have not thought of or have implemented poorly?
- Who is your target market? What group of people would be interested in your product or service?
- List step by step your basic process of providing a product or service to your client or customer.
- Who are your main competitors?

The above questions are designed to get you thinking about the very basics of your business plan. If you take the time to complete the above exercise, you will hopefully find your creative juices start to flow and don't be surprised if over the next few days, or even weeks, that you will change and tweak your initial ideas. In the end, that is the main purpose of a business plan... continual improvement.

Internal Processes & Finding the Missing Parts

Perfection is not always the objective when you are developing and transforming your business operation. The objective is to continually change your ideas, your opinions and, most importantly, your business behaviour.



You do this by monitoring and testing your processes on a practical level. As you venture down this path, you will need to develop an inward focus on your business and assess every facet. This is where it all starts to come together. In a sense, you are seeing whether the ‘glue’ that holds your business together is actually doing its job. If you have ineffective internal processes, nothing will fit together and every day will be one hard slog after another.

A great way of discovering what works and what is missing is by literally testing your processes and reviewing real situations. Follow the path from inception all the way to delivery.

Another interesting method is to create Mind Maps. See the example below. Insert Mind Map example image here.

This may look complicated, but when used correctly it allows you to see what is working, what is missing and what needs to be created and/or omitted from the overall process.

This is something that requires time and patience, along with a knowledgeable and experienced advisor. A standard Tax Accountant will not be enough for the ‘Love your Process’ stage. It is generally not their area of interest or expertise. We have been able to service our clients with this type of planning and have achieved great results. By simply implementing and acting on the Mind Maps alone into your daily business development you will create a massive competitive advantage for your business.



Your Culture

Maybe you are an organisation with 5 to 10 employees or maybe your business comprises of only you and your spouse. Either way, your culture is an important aspect of how you create value for your customers and progress through the work day with as few problems as possible. However, this is easier said than done.

Imagine attending a friend's dinner party and you are there with a few other people. As you arrive, you are greeted at the front door by your hosts, they welcome you in and you get settled to have a good night.

However, after a few minutes you start to realise that something just isn't right. At first, you can't quite put your finger on why you feel this way, but you know that there is an uncomfortable tension amongst the guests.

Then, soon after, you see the problem. You realise that your friends, the hosts, are 'secretly' fighting whilst they try to put up a warm and welcoming front for you and the other guests.

This happens all the time with businesses that are dysfunctional, internally. Employees fail to get along with each other, they are unsure of their roles and responsibilities, there is usually a real lack of cohesion and certainly a lack of communication which always leads to a bad internal culture and ultimately, bad service.

A bad internal culture does not stay behind the scenes in the back office or home where the work is performed. It leaks like sewerage from its inception all the way to your customer and ultimately to your financial statements, cash flow and reputation.

Bad culture is perceived by your customers as disorganisation, incompetency, rude and uncaring behaviour and worst of all, you are labelled as an organisation that is not working with their customer's interest at heart.

If you fail to acknowledge any of the problems highlighted above, your customers would never think to come back and interact with you. They certainly would never think to recommend your business to their friends and family.

So, what creates a bad culture? The answer is not as complicated as you may think. Bad culture boils down to two main factors; a lack of leadership and a lack of trust

This means that your employees don't trust each other, they don't trust the internal process that they are forced to exist in every day and most of all, they don't trust you, the owner, their leader.

Leadership problems can be easily corrected over time. It only takes an open mind and the desire to see things in a different way. In short, it takes education and practice... you will also need to leave your ego at the front door!

We have been able to help businesses readjust their internal culture and whilst it is a gradual process it often doesn't take that long.

Simon Sinek (Author of *"Start with Why"*) has his take on what a great business is. *"Great companies don't hire skilled people and motivate them, they hire already motivated people and inspire them."*



Owner & Employee Positioning

One thing that we have found to be true with small business is that owner and employee positioning (or repositioning in most cases) is not seriously considered when looking to improve a business.

Let's be clear about this. If you have the wrong people in the wrong positions within your organisation then how can you expect to generate a positive outcome? This situation is usually easy to identify and often does not end well for the employee, as well as being very costly for the owner.



A less straight-forward situation is employing the right people in the wrong positions. This is often the problem that most small business owners really struggle with because they rarely see that there is a problem to begin with and when they do, many react to it in the same way as they would when employing the wrong people in the organisation. Hence, quality people are let go or made to feel like they have no other alternative but to leave the organisation on their own accord.

This is a huge mistake to make but we see this happen so regularly that it could almost be considered as 'normal' business leadership. Small business owners, in general, have the attitude of 'just get it done' and this way of thinking is short term and damaging.

It is common to see organisations employ the right people, then subsequently let the business down by placing those people in inappropriate positions. This often leads to all sorts of problems that include high staff turnover and burnout for both employees and owners.

We have found that once business owners gain the necessary education and start to open their minds to what they truly intend to achieve through the entire internal process, rather than simply just 'getting it done' and concentrating on the end result, only then will they begin to realise that the end result is just that, it is the result of whatever system you are leading.

The end result is not simply how much money you make, it is also about the level of stress that you and your team are under on a daily/weekly basis. It is the sleepless nights or the fact that for whatever reason, you cannot afford the time or the money to take a holiday.

The real judge of the end result is the amount of time you have to spend each week with your friends and family, doing things you like that make you, you! It is your energy level on your days off. Are you simply recovering from work on those days or are you actually enjoying this time, like you should? In short, the end result is the level of happiness, contentment and satisfaction you possess when you think about your life.

The above are all examples of an end result. Don't just think of an end result as your client conversions, turnover, profit, cash flow, how much you personally make and what possessions you can afford or any other number on a piece of paper.

Taking the above into consideration, I'd like you to honestly answer the below questions:

Who is doing the heavy lifting in your business? Is it you or one really valuable employee that should they decide to leave or fall ill one day, everything would crumble?

What are some simple changes that can be made in order to improve the current situation with the above in mind?

Finally, ask yourself this question.

Does my business serve me, or do I serve my business?



Modern Technology & Thinking

There's one thing you can do today that will propel you forward on the topic of modern technology and thinking, and it's very simple. Go to Facebook and follow Gary Vaynerchuk. If you have never heard of Gary Vaynerchuk before, then do yourself a favour and watch his videos, all of his videos. Read his bio and do a bit of research on him. Most of all, listen to what he has to say.

He is the epitome of modern thinking and shows how modern technology, with continual learning and development and a positive attitude can help you achieve your goals.

“People are chasing cash, not happiness. When you chase money, you’re going to lose. Even if you get the money, you won’t be happy.” - Gary Vaynerchuk

There are so many applications nowadays that can help you do the most mundane tasks however, the average business owner still operates their business like it's 1950!

One example, comparing the old way of thinking and the new way, comes from my eight-year-old son. The other day he was playing FIFA 16 (a soccer video game) on Xbox and for some reason, the game's language changed from English to French. Since we don't understand French, this was a problem.



So, my son asked his grandad — who was visiting at the time — to help him fix this problem as I was unavailable. My dad was nice enough to try and help change the game's language back to English. After about 25 mins of my dad sitting on the couch and getting frustrated at not being able to fix it, my son came to me and asked for help.

Now, I am in no way an expert at fixing computer games. As I came into the room I wanted to see what my father's strategy was for trying to sort out the problem.

Basically, his strategy was to press buttons and hope something would happen. I thought there probably was a better way to sort out this problem, and there was.



I simply went to YouTube and typed in, ‘How to reset FIFA 16 language on Xbox’.

It literally took me 2 minutes to fix the problem, compared to my father’s 25-minute attempt with no result. One minute to watch the video and the other minute to click what I was told to by the person who created the video. Problem solved, and all because I used technology and sought help from someone who knew more than me. I used technology to connect to that source.

What I remember most, is my son’s reaction after I fixed the problem. My father, by this time, had lost interest completely and was a little upset that he had been slogging away for 25 minutes with no real strategy and, therefore, no result.

My son asked me, “But, how did you fix it so fast, what did you do?” My reply was, “I just asked someone who knew what to do.”

I thought that this was a great example because it really touches on a couple of key points worth mentioning.

Most small businesses are like my dad in the above story. They usually know what the problem is, but they have no idea how it came to be or how to fix it.

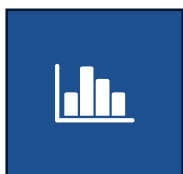
As they try to work through the process, inputting valuable resources such as time, money and emotional energy, it should become clear that now there are two problems. The original problem that has still not been fixed, but also a second, of not knowing how to fix the original problem.

One of our many strengths at Conqa Business Solutions is helping to navigate our business owners through this process. As per the story above, I sought advice from a more knowledgeable source in order to fix the problem I had. There is nothing wrong with seeking help, in fact, it shows that you are a good leader and business owner.

Connections & Collaboration (Think Vertical)

One of the biggest differences in business today, compared to 20 (or more) years ago, is how we connect with people. Not only with our customers and suppliers but also other businesses that can assist us in improving our already established products or services.

As the heading suggests, Think Vertical. This means that every small business should look at their existing supply chain and try to think of ways to gain a little more control so they can provide a more valuable product or service. Here are a couple of questions to ask yourself



Do you have a strong connection and collaboration process with other businesses that make your product or service different or better than what is currently on offer in your industry? If not, why not? Investigate this as soon as you can. This is a very powerful strategy.



Have you thought of implementing a strategy like this, only to keep pushing it back until tomorrow because you have more urgent things to do?

If you don't have a connection or a strategy, don't be surprised, you are not alone. It probably explains why so many businesses today are one-dimensional and unimaginative. They are only doing what everyone else is doing.

If there is only one message you take from this section, it would be to sit down for 5 minutes by yourself, with no distraction, and write down at least three to five different 'third-party' businesses that you could team up with to add a different flavour and quality to your end product or service.

Here are some examples using a local lawn mowing service. If we can think of collaboration examples to improve a lawn mowing business, then you should have no problems coming up with a few ideas for your business.

A local lawn mowing business can team up with the following 'vertical' businesses in order to provide a more evolved service to their customers:

A wholesaler, who sells grass fertiliser and weed killer at a cheaper cost than standard retail. The lawn mowing business can on sell these products to their already established customers. An even better idea would be for the lawn mowing business to use these (purchased) products on their customers' grass with no labour cost after they have finished cutting. A quick watering and with some fertiliser can go a long way!

This provides the customer with that extra and unexpected value because very few, if any, of their competitors have thought to do this and as it helps the grass grow healthier, (faster for next time) and without weeds, the business is setting themselves up for future business in two ways:

- They need grass to cut for next time.
- They have now increased their probability of referrals with family, friends and the neighbors in the street will want their grass looking just as nice?

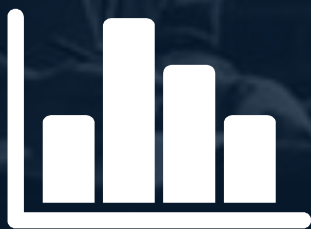
A Copywriter, (someone who is great at writing online and website content) so the local lawn mowing business is providing fresh and interesting content on their Facebook page and their website. When people are online looking for a reputable lawn mowing service, they can learn about how best to maintain their lawn.

This additional online information will gain the business authority in their industry. Therefore, if a potential customer has to choose who they want to cut their grass, they will most probably go with the business who they believe is an authority and who is providing better service and more value.

As you can see, the more creative you become with spicing up your supply chain, the more opportunities you can explore in providing value to your customers. The fact that very few small businesses are actually doing this is a shame as it could be the number one competitive advantage.

As we are in the business and tax solutions industry, it's just not enough to focus on only one area of business and tax. Therefore, we collaborate with about 5 other businesses in order to spice up our supply chain to our clients. Our partners range from Bookkeepers, Digital and Social Marketing, Website Design, Financial Planning and Administration services.





Capturing Your Profit

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Business Structure

When thinking about capturing your profit, business structure certainly needs to come into the equation. Usually, when considering a suitable structure, legal protection is the first point of concern and the main factor in the decision-making process.

With that said, you should be aware that there is a huge difference, legally, between trading as an Individual Sole Trader, Partnership, Trust and Company. They are all vastly different with their own unique strengths and weaknesses. Choosing the right entity is extremely important and this is something that we discuss with our clients in-depth, face to face, in private meetings.

With legal considerations aside, it is important to realise that when choosing a structure to trade through it is the 'taxing point' that we are concerned with. We also look at how easy it is to extract profits and capital proceeds from that entity with as little tax consequences as possible.

If you have not heard of the term 'taxing point', that's ok. It simply means where or who the Australian Taxation Office (ATO) will look to collect their tax dollars from. In a nutshell, each structure type has a different way of being taxed and tax itself being calculated. Sounds complicated and scary, huh?

To give you some clarity, imagine you start a business and you decide not to worry about getting any business structure advice.

You start to trade just as an Individual Sole Trader. That means you, personally, are the 'taxing point' with the ATO and they will expect tax to be paid to them by you.

Let's say that your first year of business was quite good and you earned a net profit of \$200,000... not bad for your first year. Just considering the Income Tax consequences for this situation, you would owe the ATO about \$66,000. This is about 33% of your profit! So, one-third of your profit is being paid to the taxman!

Now, let's compare how the same \$200,000 profit would be taxed if you were trading through a company. We do a quick calculation and the company would only be taxed \$60,000. \$6,000 less just for choosing this structure.

The above is a pretty basic example that shows you the difference between two taxing points. In this case, the Sole Trader structure exposed about \$20,000 more of your profit allowing the taxman to take \$6,000 more profit than if you were trading through a standard company.

To show you how one can capitalise even more on trading through a company, imagine that your company paid you, personally, a gross salary of \$60,000 for the year for all your hard work.

So, profit before your salary was \$200,000. Once the \$60,000 has been subtracted away from the company profits, the company's profit is now \$140,000. So, 30% of \$140,000 is a tax payable of \$42,000. Plus, don't forget your personal tax on the \$60,000 salary that your company paid you. That would amount to about \$11,900.

Therefore, you've gone from paying \$66,000 in example 1, to paying \$60,000 in example 2 and finally paying \$53,900 in example 3! That is over \$10,000 in tax savings between example 1 and example 3. Crazy, don't you think! Just knowing even the bare basics of structure can make a positive impact to your bottom line.

Now, if you like what companies can do (and we haven't even shown the power of dividends), you will love what Trusts can do. They are more complicated in nature, but in most cases provide more options for taxing points, thus, assisting in lowering your profit that would normally be exposed to the ATO.

Hopefully, you can see the importance of obtaining good advice when selecting the correct trading entity and structure. This will assist you in capturing your profit and keeping the taxman, legally, at bay so you keep more of your hard earned money!



Cash Flow (In a perfect world, money would grow on trees)

The dreaded cash flow problem! What business doesn't experience this? In short, none. As long as you're in business, you will have this issue every day, week and month. So get used to it!

You need to understand that you have a monster in your life and it needs feeding! Your monster's favourite food? CASH!

So, knowing that cash flow problems will always exist and no business can survive without this resource, why do so many small business owners choose to ignore it or put it on the 'problem-shelf' for another day?

The short answer is because business owners are far too busy making money!

Think about that for a few seconds. Cash flow issues are ignored because the leaders that have this responsibility are too busy with the task of making money.

- This kind of bad business habit really comes down to two factors for many owners:
- Simply, lacking true intention on what they want to achieve through their business. Hence, the business usually owns the owner.

Only focusing and reacting to urgent matters instead of acting on important matters like Knowing your Numbers, Loving your Process and of course, Capturing your Profit.

If the above describes your business behaviour, then it is easy to say that you have had nobody challenge you to want more out of your business than to make money.

When you analyse your monthly, quarterly and biannual cash flow statements with a business professional, you will be absolutely taken aback at what valuable information you can extract.

Cash is king when talking about the 'Business Monster' (which every owner is in charge of taming), so understanding your cash flow habits is crucial to satisfying your monster's insatiable hunger.

You need to realise that it is important not only to know *how* you are spending your money but also *how* you are making it.

Let's use my business's industry, the Financial Services Industry, as an example.

When we first started our business plan, we never considered following the crowd of other traditional accountancy firms because we knew that the old way of 'make-money-any-way-we-can' had all sorts of problems attached to it.

Many of the more traditional firms in our industry chose to simply continue providing tax returns and financial statements (usually more than 6-9 months old) for any business owner that walked through the front door or decided to call the office. This can be described as a 'Take Anyone' policy.

As these firms grew, they became hostage to their own poorly designed and uncreative business plans.

As you can imagine, their cash flow was not so healthy either with very large Accounts Receivables balances from month-to-month due to the way the firms were charging their clients (mostly on a time basis with an excessive hourly charge out rate). Along with very high wage costs, these companies experienced average staff performance and communication, due to motivational and training issues.

As time went on these firms became more and more dependent on simply making money, rather than creating value in order to survive. Over time, they morphed into the large inflexible and inefficient machine that simply wastes time and money and provides nothing to be excited about.

Even though these businesses were accounting firms, and should have known better, they either failed to prepare or failed to act on their own Cash Flow Reports. If they did take this information seriously, they would have realised that their 'make-money-anyway-you-can' philosophy was not a good direction to take. In short, they were blinded by the money instead of realising that this was taking them down a dead-end road.

Unfortunately for a lot of these firms, they have started to experience a serious loss in market share due to a new breed of advisors who see things differently, like us, and so are now trying very hard to turn the ship and catch up.

Understand, that a Cash Flow Report is vital to not only seeing what your business's hunger for cash is but more importantly understanding what those outlays are going towards and how your business is making money. Hence, it goes deeper than just money.



Marketing and Website Strategy (Compete for attention)

There always seems to be an initial misunderstanding from business owners when they hear the words, 'Marketing & Website Strategy' or 'Digital Marketing Strategy'.

The feelings that usually arise after hearing these words are cynicism, disinterest, apathy and usually a response accompanied with a shake of the head, saying, "Ahh, I don't need to do this", "There's no point, it won't do anything for my business", "I don't have the time... I'm not even sure what it is, anyway".

Does this sound like you? If so, you need to read this section carefully, because whatever business results you are currently achieving, without a Marketing and Website Strategy, you'll be missing out on a heap of potential customers and valuable opportunities.

It doesn't matter how old you are or how technologically literate you are (or not), working with a professional to help develop a Digital Marketing Strategy and having a top quality website is not only important but essential.

Most owners who discount the benefits and necessity of a Digital Strategy, probably do not understand why it is essential to have a digital message. Let's break this down so it is easy to understand 'the why' when looking at a Digital Marketing Strategy.

We need to look at the Customer Buying Process (CBP) prior to putting their hand in their pocket and actually giving away their hard earned money.

Before we continue, an interesting point to note is that this process was actually presented all the way back in 1910 by a man named John Dewey. This is interesting because even though we have these new resources at the tip of our fingers, the actual psychological process has hardly changed when it comes to giving our money away in exchange for another person's good or service.

The only thing that has changed since 1910 is the fact that we now have digital tools available, just like the ones listed above, to make it more convenient. We know some of these tools to be the mobile phone, the iPad, the internet, online shopping, social media and Skype, just to name a few.

The first part of the CBP is the most important since the potential customer has to have a need for what you're selling. There is no point in targeting a group of people for your product or service if they don't need what you have to offer.

A need is created in a couple of ways. Firstly, it can be created internally much in the same way as when you feel hungry or tired.

The other way a need can be created is externally, as need can manifest itself through seeing or hearing something that triggers a desire.

For example, it is a hot day and let's say that you are feeling thirsty. As you are feeling thirsty you think about that soft drink advertisement on the radio, TV or even YouTube, this morning.

So you decide to get in your car and drive all the way to the shop, just to quench your thirst, when there was perfectly drinkable water in the fridge at home that would more than do the job.

So how did the soft drink company entice you to go to all of the effort of driving down the street and making the purchase? Well, the next 4 points show you how they do it.

The next stage is called 'Information Search'. This is fairly self-explanatory, but to spell it out for you, this is the stage where your potential customer takes their own time to research the product or service and who is selling it.

Your potential customer will rely on print, visual and/or online media, with an attempt to also obtain word-of-mouth reassurance before moving on to the next stage of the decision-making process.

So now you can see why the soft drink companies take the time to create these very seductive advertisements where you see a lot of very beautiful young people at the beach having a great time together enjoying a can of their favourite soft drink.



The next stage is called 'Evaluation of Alternatives'. This is just a fancy name for your potential customers taking the time to compare your product or service to another business's product or service. They will not only compare price, but they will also make sure that they side with the seller who has the customer's best interest at heart and who is proposing the greatest value.

The next stage is the 'Purchase Decision'. This is where your potential customer decides on who they are going to give their money to after they have decided who will provide them with the greatest value for their dollar.

There are two situations that will prevent your potential customer from buying from you. The first situation is that they will read or hear negative reviews from your former customers. The other situation is when your potential customer,

unfortunately, has a life set back such as losing their job or they have to spend their money on something that they consider more important.

After your new customer has decided to purchase your product or service, the final phase of this process is called 'Post-Purchase Behaviour'. This phase is absolutely important as you want your new customer to refer your business on to their friends and family and, of course, continue their relationship with your business.

Your new customer will compare the product or service that you have sold them to their original expectations. If your product or service meets these expectations, then well done, you have increased the probability of having a repeat customer and referrals (creating brand loyalty). This newly created brand loyalty helps fast track, or skip altogether, the Information Search and Evaluation of Alternatives stages. However, if you haven't met your new customer's original expectations then be prepared for a potential storm of bad reviews and do not expect any new referrals.

Based on the above, your business needs to be diligent with creating great post-purchase communication, ensuring that new and existing customers are all taken care of and expectations are managed.

This kind of due diligence is vital for your business's continual improvement and success into the future.

So, how does this fit into your Digital Marketing Strategy? The answer is nice and simple which I hope you will appreciate. Since the above Customer's Decision Process has been true for over a century, the only thing that has changed is how we implement and manage this process.

Modern technology has made it easier for sellers to provide more value to a wider scope of customers than before. It's much easier to gather demographic information, present your message and communicate in a more personal way to your existing and future customers.

Likewise, for your potential customers, they too have more benefits. New technology means they can now engage in meaningful research far quicker with far more powerful results. More information can be gathered in one hour than previous generations could obtain in one month.

This allows for a more educated market who really know what they want from the businesses they choose to start a relationship with. Therefore, you can imagine that if you are not on your game, the market will know this very quickly and therefore, you will not even stand a chance in today's highly competitive business world.

The fact that a large part of the world's western population possess mobile phones, have access to the internet, a wifi connection along with a Paypal account and banks offering credit cards a dime-a-dozen, the logical conclusion is that if your business does not participate online via a well designed and interactive website accompanied by some level of social media strategy, you are never going to be fully competitive in today's economy.

Remember, if your business is not continually growing and improving from year to year, then it is stagnating and diminishing.



Conclusion

We realise that there is a lot of information within this Business Guide, so a big congratulations and a pat on the back is due for those of you who have taken the time to read it in its entirety. This would be an indication that you are truly serious about changing and improving your daily business practices and habits for a freer and more purposeful lifestyle.

However, please don't think that just because you have read the words that everything will just magically happen for you.

We strongly believe that although learning starts with reading or listening to new ideas, the changes will only materialise after you have composed a plan and started taking action in a step-by-step process that can be monitored and measured.

Obviously, you can create and implement a plan by yourself and you will hopefully experience great results. However, as most of the concepts within this guide are not as straightforward as it may seem, we do recommend inviting a suitable advisor to work with you and to ensure that you are traveling down the right path.

Please note, that if you are not one of our clients and you do not intend to be, then that is fine. However, be careful with what type of advisor you have by your side during this process. Understand that a standard Tax Accountant will not do and for most of you, unfortunately, this is probably your current advisor.

The two main reasons we say this is because the standard Tax Accountant does not usually possess the necessary skills and personal interest in these various disciplines and philosophies of business and personal lifestyle advice. Secondly, a standard Tax Accountant charges their clients on an hourly rate which can be a huge set-back financially for any business.



We hope you have enjoyed this Business Guide and we wish you all the best in your pursuit of a better business and lifestyle.

From the team at Conqa Business Solutions.